



DREAM UNLIMITED CORP. REPORTS THIRD QUARTER RESULTS

This press release contains forward-looking information that is based upon assumptions and is subject to risks and uncertainties as indicated in the cautionary note contained within this press release.

TORONTO, November 14, 2023, Dream Unlimited Corp. (TSX: DRM) (“Dream”, “the Company” or “we”) today announced its financial results for the three and nine months ended September 30, 2023 (“third quarter”).

“We continued to see the positive impact of our efforts to improve the safety and value of our business,” said Michael Cooper, Chief Responsible Officer. “Our western Canada development business is performing well in the current period and generating commitments for 2024 and 2025. We believe that this division will continue to perform well but will also increase its activity and profits over the next few years. Our multi-family rental portfolio continues to grow with residents moving in to Maple House at Canary Landing and Aalto II at Zibi. We expect to commence occupancy of another property in Zibi and Saskatoon before the year is out. Over the next three years, we expect to add over 2,300 units to our portfolio realizing on the years of work creating a purpose-built rental business. The division will add to development profits and recurring income. Together with the strong performance of our asset management business and our other stabilized assets, including Arapahoe Basin, the Company is well positioned for near and long term growth.”

For the first time, Dream has published a supplemental information package on our [website](#) concurrent with the release of our third quarter results. The package is aligned with our recent investor day presentation and provides shareholders a clearer view of our standalone results and provides information on how we evaluate our various divisions.

Highlights: Recurring Income

- Revenue and net operating income⁽¹⁾ for the three months ended September 30, 2023 were \$43.8 million and \$13.0 million, respectively, up from \$34.4 million and \$9.9 million in 2022. The increases are primarily attributable to higher occupancy across our portfolio and growth in our fee-earning asset base. Similarly, revenue and net operating income⁽¹⁾ were \$30.1 million and \$9.9 million higher than the comparative nine-month period. We continue to focus on increasing our recurring income through growing our asset management business and completing purpose-built rentals within our development pipeline.
- Revenue for the three and nine months ended September 30, 2023 includes \$15.9 million and \$47.3 million, respectively, in asset management fee revenue, compared to \$10.1 million and \$36.2 million in the comparative period. Earnings were driven by the more highly valued recurring income base fees in addition to higher development fees on our industrial portfolio. As of September 30, 2023, assets under management totaled \$24 billion, an increase of 38% over year-end, and fee earning assets under management totaled \$17 billion.
- We continue to execute on our robust industrial development pipeline through Dream Industrial REIT and the private Dream Summit joint venture. As of September 30, 2023, we have a total of 2.8 million sf of development projects that are either currently underway or in planning stages with an expected yield on cost of approximately 6.4% upon completion.
- In the nine months ended September 30, 2023, our portfolio of stabilized properties generated revenue and net operating income⁽¹⁾ of \$93.9 million and \$34.3 million, an increase of \$14.2 million and \$1.9 million, respectively over the prior period, largely driven by the growth in our multi-family portfolio in the GTA, National Capital Region and Western Canada. As of September 30, 2023, our portfolio comprises 1,800 apartment units (at project level) and is 97.6% occupied. We expect to add an additional 1,245 units to our portfolio in the remainder of the year that we expect to contribute to higher revenue and net operating income in the future.
- On October 29, 2023, Arapahoe Basin opened for the 2023/2024 season, making it one of the first hills to open in North America this season. As of today, our season passes are 83% sold out.
- Across the Dream group platform, which includes assets held through the Company, Dream Impact Trust, Dream Impact Fund, Dream Office REIT and Dream Residential REIT, we have a growing portfolio of 8,100 apartment units and 13.8 million sf of gross leasable area (“GLA”) in stabilized rental, retail and commercial properties, in addition to our recreational properties. Over the next four years, an additional 3,244 apartment units comprising 2.7 million sf of residential GFA is expected to be added to our recurring income portfolio (at project level) primarily relating to Canary Landing, Zibi, LeBreton Flats and Western Canada.

Highlights: Development

- In the three months ended September 30, 2023, our development business generated \$88.7 million in revenue and \$16.2 million in net margin, an increase of \$68.0 million and \$18.0 million, respectively from the comparative period, primarily driven by the timing of sales in various communities in Western Canada.
- In the third quarter of 2023, we achieved 400 lot sales and 28 housing occupancies primarily across our Alpine Park, Eastbrook, Maple, Elan and Vista Crossing communities in Regina, Edmonton and Calgary. As of November 14, 2023, we have secured commitments for an additional 66 lots and 5 acres across our Western Canada communities that we expect to contribute to earnings in the fourth quarter, along with 231 lots and 71 acres already secured for 2024 and 2025.
- This quarter, we commenced occupancies at Brightwater I, our first completed condominium building at our 72-acre waterfront community in Mississauga's Port Credit area. Brightwater II is expected to commence residential occupancy in early 2024 along with first commercial tenant possession of the combined 98,000 sf of commercial/retail GLA expected by the end of the year. Dream's 31% interest in the Brightwater development is split 25%/75% between the Company and Dream Impact Trust.
- In September, we welcomed the first residents at Maple House at Canary Landing, our 770-unit purpose-built rental building adjacent to our Canary and Distillery District neighbourhoods in Toronto. Maple House includes 231 units designated as affordable housing and offers nearly 40,000 sf in amenities, including over 17,000 sf of outdoor terraces, a state-of-art fitness centre and a co-working space. In addition to Maple House, we have another 1,093 rental units currently under construction at Canary Landing, inclusive of an additional 257 affordable units.
- We also welcomed our first residents at Aalto II at Zibi this quarter, a 148-unit purpose-built rental building in Gatineau, Quebec and expect to commence occupancies at Common at Zibi, a 207-unit purpose-built rental inclusive of 48 co-living suites, by the end of the year.

Consolidated Results Overview

A summary of our consolidated results for the three and nine months ended September 30, 2023 is included in the table below.

<i>(in thousands of dollars, except per share and outstanding share amounts)</i>	For the three months ended September 30,		For the nine months ended September 30,	
	2023	2022	2023	2022
Revenue	\$ 132,512	\$ 55,057	\$ 279,089	\$ 176,076
Net margin	\$ 27,214	\$ 6,628	\$ 59,490	\$ 35,406
Net margin (%) ⁽¹⁾	20.5%	12.0%	21.3%	20.1%
Earnings (loss) before income taxes	\$ 4,072	\$ 106,501	\$ (42,233)	\$ 254,816
Adjusted earnings before income taxes ⁽¹⁾	\$ 3,685	\$ 16,274	\$ 66,247	\$ 133,111
Earnings (loss) for the period	\$ 3,925	\$ 96,742	\$ (35,727)	\$ 215,656
Basic earnings (loss) per share	\$ 0.09	\$ 2.27	\$ (0.84)	\$ 5.06
Diluted earnings (loss) per share	\$ 0.09	\$ 2.20	\$ (0.84)	\$ 4.90
Dream standalone funds from operations per share ⁽¹⁾	\$ 0.42	\$ 2.11	\$ 0.81	\$ 3.66
Dream consolidated funds from operations per share ⁽¹⁾	\$ 0.32	\$ 1.98	\$ 0.48	\$ 3.31
Adjusted Dream standalone funds from operations per share ⁽¹⁾	\$ 0.42	\$ 0.08	\$ 0.81	\$ 1.63
			September 30, 2023	December 31, 2022
Total assets			\$ 3,973,977	\$ 3,956,494
Total liabilities			\$ 2,461,006	\$ 2,402,802
Total equity			\$ 1,512,971	\$ 1,553,692
Total issued and outstanding shares			42,639,480	42,587,702

The calculation of adjusted earnings⁽¹⁾ before income taxes is included below.

	For the three months ended September 30,		For the nine months ended September 30,	
	2023	2022	2023	2022
Earnings (loss) before income taxes	\$ 4,072	\$ 106,501	\$ (42,233)	\$ 254,816
Share of earnings (loss) from Dream Office REIT	387	3,807	(108,480)	35,285
Net gain on land settlement	—	86,420	—	86,420
Adjusted earnings before income taxes	\$ 3,685	\$ 16,274	\$ 66,247	\$ 133,111

- Adjusted earnings before income taxes⁽¹⁾ for the three months ended September 30, 2023 was \$3.7 million, down from \$16.3 million in the comparative period. The decrease in earnings is primarily attributable to lower fair value gains on Dream Impact Trust units held by other unitholders and fair value losses on our investment property portfolio, partially offset by strong lot sales activity in western Canada and growth of our asset management platform.
- Adjusted earnings before income taxes⁽¹⁾ for the nine months ended September 30, 2023 was \$66.2 million, down from earnings before taxes of \$133.1 million in the comparative period due to fair value losses on investment properties, higher interest expense on our variable rate debt and \$36.9 million in income related to condominium occupancies at Canary Commons in 2022 with limited activity in 2023. This was partially offset by the timing of lot sales in several of our communities in western Canada. Earnings from development can vary significantly quarter to quarter given seasonality and the timing of occupancy.
- Adjusted Dream standalone funds from operations⁽¹⁾ (“FFO”) for the three months ended September 30, 2023 was \$0.42 per share on a pre-tax basis, up from \$0.08 per share in the comparative period, primarily due to stronger results from recurring income assets and development profits in western Canada. Adjusted Dream standalone FFO for the nine months ended September 30, 2023 was \$0.81 per share on a pre-tax basis, down from \$1.63 per share in the comparative period, which included occupancies at Canary Commons.
- As of September 30, 2023 the Company has available liquidity⁽²⁾ of \$305.3 million, in line with \$302.6 million as of December 31, 2022.
- In the nine months ended September 30, 2023, 0.2 million Subordinate Voting Shares were purchased for cancellation by the Company at an average price of \$20.57 under a normal course issuer bid (“NCIB”) for total proceeds of \$3.3 million (year ended December 31, 2022 - 0.4 million Subordinate Voting Shares at an average price of \$39.53).
- Dividends of \$5.3 million and \$16.0 million were declared and paid on our Subordinate Voting Shares and Class B Shares in the three and nine months ended September 30, 2023 (three and nine months ended September 30, 2022 - \$4.3 million and \$12.8 million, respectively).

Select financial operating metrics for Dream's segments for the three and nine months ended September 30, 2023 are summarized in the table below.

For the three months ended September 30, 2023							
<i>(in thousands of dollars, except per share amounts)</i>	Recurring income		Development		Corporate and other		Total
Revenue	\$	43,842	\$	88,670	\$	—	\$ 132,512
% of total revenue		33.1%		66.9%		—%	100.0%
Net margin	\$	10,998	\$	16,216	\$	—	\$ 27,214
Net margin (%) ⁽¹⁾		25.1%		18.3%		n/a	20.5%

For the nine months ended September 30, 2023							
Revenue	\$	155,361	\$	123,728	\$	—	\$ 279,089
% of total revenue		55.7%		44.3%		—%	100.0%
Net margin	\$	52,433	\$	7,057	\$	—	\$ 59,490
Net margin (%) ⁽²⁾		33.7%		5.7%		n/a	21.3%

As at September 30, 2023							
Segment assets	\$	2,123,357	\$	1,810,488	\$	40,132	\$ 3,973,977
Segment liabilities		1,100,393		680,599		680,014	2,461,006
Segment shareholders' equity		1,022,964		1,129,889		(639,882)	1,512,971
Shareholders' equity per share ⁽²⁾	\$	24.02	\$	26.53	\$	(15.03)	\$ 35.53

For the three months ended September 30, 2022							
<i>(in thousands of dollars, except per share amounts)</i>	Recurring income		Development		Corporate and other		Total
Revenue	\$	34,401	\$	20,656	\$	—	\$ 55,057
% of total revenue		62.5%		37.5%		—%	100.0%
Net margin	\$	8,396	\$	(1,768)	\$	—	\$ 6,628
Net margin (%) ⁽¹⁾		24.4%		n/a		n/a	12.0%

For the nine months ended September 30, 2022							
Revenue	\$	125,280	\$	50,796	\$	—	\$ 176,076
% of total revenue		71.2%		28.8%		—%	100.0%
Net margin	\$	43,997	\$	(8,591)	\$	—	\$ 35,406
Net margin (%) ⁽²⁾		35.1%		n/a		n/a	20.1%

As at December 31, 2022							
Segment assets	\$	2,258,140	\$	1,669,623	\$	28,731	\$ 3,956,494
Segment liabilities		980,905		613,966		807,931	2,402,802
Segment shareholders' equity		1,277,235		1,055,657		(779,200)	1,553,692
Shareholders' equity per share ⁽²⁾	\$	29.99	\$	24.79	\$	(18.30)	\$ 36.48

Conference Call

Senior management will host a conference call to discuss the financial results on Wednesday, November 15, 2023, at 2:00 p.m. (ET). To access the conference call, please dial 1-800-319-4610 (toll free) or 416-915-3239 (toll). To access the conference call via webcast, please go to Dream's website at www.dream.ca and click on the link for News, then click on Events. A taped replay of the conference call and the webcast will be available for ninety (90) days following the call.

Other Information

Information appearing in this press release is a select summary of results. The financial statements and MD&A for the Company are available at www.dream.ca and on www.sedarplus.ca.

About Dream Unlimited Corp.

Dream is a leading developer of exceptional office and residential assets in Toronto, owns stabilized income generating assets in both Canada and the U.S., and has an established and successful asset management business, inclusive of \$24 billion of assets under management⁽¹⁾ across four Toronto Stock Exchange ("TSX") listed trusts, our private asset management business and numerous partnerships. We also develop land, residential and income generating assets in Western Canada. Dream expects to generate more recurring income in the future as its urban development properties are completed and held for the long term. Dream has a proven track record for being innovative and for our ability to source, structure and execute on compelling investment opportunities. A comprehensive overview of our holdings is included in the "Summary of Dream's Assets and Holdings" section of our MD&A.

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Non-GAAP Measures and Other Disclosures

In addition to using financial measures determined in accordance with IFRS, we believe that important measures of operating performance include certain financial measures that are not defined under IFRS. Throughout this press release, there are references to certain non-GAAP financial measures and ratios including Dream standalone FFO per share, Dream consolidated FFO per share, Adjusted Dream consolidated FFO per share, Dream standalone FFO, Dream consolidated FFO, Adjusted Dream consolidated FFO net operating income, Dream Impact Trust, consolidation and fair value adjustments, and earnings before income taxes adjusted for Dream Office REIT, which management believes are relevant in assessing the economics of the business of Dream. These performance and other measures are not financial measures under IFRS, and may not be comparable to similar measures disclosed by other issuers. However, we believe that they are informative and provide further insight as supplementary measures of financial performance, financial position or cash flow, or our objectives and policies, as applicable. Certain additional disclosures such as the composition, usefulness and changes, as applicable, of the non-GAAP financial measures and ratios included in this press release have been incorporated by reference from the management's discussion and analysis of Dream for the three and nine months ended September 30, 2023, dated November 14, 2023 (the "MD&A for the third quarter of 2023") and can be found under the section "Non-GAAP Ratios and Financial Measures", subheadings "Dream standalone FFO", "Dream consolidated FFO" and "Adjusted Dream consolidated FFO", "Dream standalone FFO per share", "Dream consolidated FFO per share" and "Adjusted Dream consolidated FFO per share", "Net operating income", "Dream Impact Trust & Consolidation and fair value adjustments", and "Earnings before income taxes adjusted for Dream Office REIT". The composition of supplementary financial measures included in this press release has been incorporated by reference from the MD&A for the third quarter of 2023 and can be found under the section "Supplementary and Other Financial Measures". The MD&A for the third quarter of 2023 is available on SEDAR+ at www.sedarplus.ca under Dream's profile and on Dream's website at www.dream.ca under the Investors section.

Non-GAAP Ratios and Financial Measures

"Adjusted earnings before income taxes" represents pre-tax earnings excluding earnings (loss) from equity accounted investments attributable to Dream Office REIT per Note 10 and net gain on land settlement per Note 19 of the condensed consolidated financial statements. The most directly comparable measure to adjusted earnings before income taxes is earnings (loss) before income taxes. This non-GAAP financial measure is an important measure used to assess the Company's pre-tax earnings excluding non-cash and/or one-time transactional amounts.

"Dream Impact Trust & Consolidation and fair value adjustments" represent certain IFRS adjustments required to reconcile Dream standalone and Dream Impact Trust results to the consolidated results as at September 30, 2023 and December 31, 2022 and for the three and nine months ended September 30, 2023 and 2022. Management believes Dream Impact Trust & Consolidation and fair value adjustments provides investors useful information in order to reconcile it to the Dream Impact Trust financial statements.

Consolidation and fair value adjustments relate to business combination adjustments on acquisition of Dream Impact Trust on January 1, 2018 and related amortization, elimination of intercompany balances including the investment in Dream Impact Trust units, adjustments for co-owned projects, fair value adjustments to the Dream Impact Trust units held by other unitholders, and deferred income taxes.

"Dream standalone FFO", "Dream consolidated FFO", "Adjusted Dream standalone FFO" and "Adjusted Dream consolidated FFO" are key measures of our financial performance. We use Dream standalone FFO, Dream consolidated FFO, Adjusted Dream standalone FFO and Adjusted Dream

consolidated FFO to assess operating results and the pre-tax performance of our businesses on a divisional basis. The sum of FFO for all our divisions, or Dream consolidated FFO, is a non-IFRS measure. Refer to the "Non-GAAP Measures and Other Disclosures" section of the MD&A for further details.

The following table defines and illustrates how Dream standalone FFO is calculated by division:

<i>(in thousands of dollars, unless otherwise noted)</i>	For the three months ended September 30,		For the nine months ended September 30,	
FFO by division:	2023	2022	2023	2022
Asset management ⁽ⁱ⁾	\$ 6,892	\$ 1,105	\$ 23,588	\$ 12,880
Dream group unit holdings ⁽ⁱⁱ⁾	5,631	9,967	19,897	28,400
Stabilized assets - GTA/Ottawa	1,013	(571)	(78)	300
Stabilized assets - Western Canada	1,962	2,009	3,254	2,911
Arapahoe Basin	(4,566)	(3,147)	9,542	13,789
Development - GTA/Ottawa	846	2,103	(3,571)	37,084
Development - Western Canada	17,495	(373)	11,719	(5,289)
Corporate & other	(11,436)	78,788	(29,807)	65,918
Dream standalone FFO	\$ 17,837	\$ 89,881	\$ 34,544	\$ 155,993
Dream Impact Trust & consolidation adjustments ⁽ⁱⁱⁱ⁾	(4,037)	(5,598)	(13,863)	(14,910)
Dream consolidated FFO	\$ 13,800	\$ 84,283	\$ 20,681	\$ 141,083
Less: Net gain on land settlement	\$ —	\$ (86,420)	\$ —	\$ (86,420)
Adjusted Dream standalone FFO	\$ 17,837	\$ 3,461	\$ 34,544	\$ 69,573
Adjusted Dream consolidated FFO	\$ 13,800	\$ (2,137)	\$ 20,681	\$ 54,663
Shares outstanding, weighted average	42,801,677	42,587,702	42,759,942	42,605,514
Dream standalone FFO per share	\$ 0.42	\$ 2.11	\$ 0.81	\$ 3.66
Dream consolidated FFO per share	\$ 0.32	\$ 1.98	\$ 0.48	\$ 3.31
Adjusted Dream standalone FFO per share	\$ 0.42	\$ 0.08	\$ 0.81	\$ 1.63
Adjusted Dream consolidated FFO per share	\$ 0.32	\$ (0.05)	\$ 0.48	\$ 1.28

⁽ⁱ⁾ Asset management includes our asset and development management contracts with the Dream group of companies and management fees from our private asset management business, along with associated costs. Included in asset management for the three and nine months ended September 30, 2023 are asset management fees from Dream Impact Trust received in the form of units of \$832 and \$2,742, respectively (three and nine months ended September 30, 2022 - \$1,799 and \$5,015, respectively). These fees are received in the form of units effective April 1, 2019. Had the asset management fees been paid in cash, rather than in units, the fees earned for the three and nine months ended September 30, 2023 is \$3,553 and \$10,217, respectively (three and nine months ended September 30, 2022 - \$3,798 and \$9,409, respectively). In addition, included in the three and nine months ended September 30, 2022 are advisory fees from Dream Residential REIT received in the form of units of \$nil and \$2,834, respectively.

⁽ⁱⁱ⁾ Dream group unit holdings includes our proportionate share of funds from operations from our 30.3% effective interest in Dream Office REIT and 11.9% effective interest in Dream Residential REIT, along with distributions from our 33.5% interest in Dream Impact Trust. Included in Dream group unit holdings for the three and nine months ended September 30, 2023 are distributions from Dream Impact Trust received in the form of units of \$729 and \$3,259, respectively (three and nine months ended September 30, 2022 - \$343 and \$343).

⁽ⁱⁱⁱ⁾ Included within consolidation adjustments in the three and nine months ended September 30, 2023 is \$60 in income and \$379 in losses, respectively, attributable to non-controlling interest (three and nine months ended September 30, 2022 - \$259 in income and \$286 of losses, respectively).

The following table reconciles Dream consolidated FFO and Adjusted Dream Consolidated FFO to net income (loss):

<i>(in thousands of dollars, unless otherwise noted)</i>	For the three months ended September 30,		For the nine months ended September 30,	
	2023	2022	2023	2022
Dream consolidated net income	\$ 3,925	\$ 96,742	\$ (35,727)	\$ 215,656
Add/(deduct) FS components not included in FFO:				
Fair value changes in investment properties	21,794	381	27,829	(15,637)
Fair value changes in financial instruments	(46)	(3,658)	(447)	(4,956)
Share of earnings from Dream Office REIT and Dream Residential REIT	1,006	(4,712)	108,274	(40,935)
Fair value changes in equity accounted investments	(3,609)	(1,010)	(2,171)	(816)
Adjustments related to Dream Impact Trust units	(13,660)	(23,846)	(91,115)	(82,290)
Adjustments related to Impact Fund units	(2,520)	827	(2,364)	3,039
Depreciation and amortization	2,054	1,764	6,083	5,147
Income tax expense	147	9,759	(6,506)	39,160
Share of Dream Office REIT FFO	4,129	7,541	15,144	21,940
Share of Dream Residential REIT FFO	580	495	1,681	775
Dream consolidated FFO	\$ 13,800	\$ 84,283	\$ 20,681	\$ 141,083
Less: Net gain on land settlement	\$ —	\$ (86,420)	\$ —	\$ (86,240)
Adjusted Dream consolidated FFO	\$ 13,800	\$ (2,137)	\$ 20,681	\$ 54,843

“Dream standalone FFO per share”, “Dream consolidated FFO per share”, “Adjusted Dream standalone FFO per share” and “Adjusted Dream consolidated FFO per share” are non-GAAP ratios. Dream standalone FFO per share is calculated as Dream standalone FFO divided by the weighted average number of Dream shares outstanding. Dream consolidated FFO per share is calculated as Dream consolidated FFO divided by weighted average number of Dream shares outstanding. Adjusted Dream standalone FFO per share is calculated as Adjusted Dream standalone FFO divided by weighted average number of Dream shares outstanding. Adjusted Dream consolidated FFO per share is calculated as Adjusted Dream consolidated FFO divided by weighted average number of Dream shares outstanding. We use these ratios to assess operating results and the pre-tax performance of our businesses on a per share basis.

Dream standalone FFO per share, Dream consolidated FFO per share, Adjusted Dream standalone FFO per share and Adjusted Dream consolidated FFO per share are not financial measures under IFRS and may not be comparable to similar measures disclosed by other issuers. Dream standalone FFO per share, Dream consolidated FFO per share, Adjusted Dream standalone FFO per share and Adjusted Dream consolidated FFO per share for the three and nine months ended September 30, 2023 and 2022 are shown in the table included under the “Funds From Operations” section of the MD&A.

“Net operating income” represents revenue, less (i) direct operating costs and (ii) selling, marketing, depreciation and other indirect costs, but including: (iii) depreciation; and (iv) general and administrative expenses. The most directly comparable financial measure to net operating revenue is net margin. This non-GAAP measure is an important measure used by management to assess the profitability of the Company’s recurring income segment. Net operating income for the recurring income segment for the three and nine months ended September 30, 2023 and 2022 is calculated and reconciled to net margin as follows:

	For the three months ended September 30,		For the nine months ended September 30,	
	2023	2022	2023	2022
Net margin	\$ 10,998	\$ 8,396	\$ 52,433	\$ 43,997
Add: Depreciation	1,527	1,275	4,534	3,671
Add: General and administrative expenses	508	228	2,207	1,563
Net operating income	\$ 13,033	\$ 9,899	\$ 59,174	\$ 49,231

“Portfolio of stabilized properties” represents recurring income assets, less (i) asset and development management contracts with the Dream group of companies and management fees from our private asset management business and (ii) Dream Impact Trust & Consolidation and fair value adjustments. The most directly comparable measure to the portfolio of stabilized properties is the recurring income reporting segment. This non-GAAP financial measure is an important measure use to assess the Company’s portfolio of stabilized properties. Revenue and net operating income from our portfolio of stabilized properties for the three and nine months ended September 30, 2023 and 2022 is reconciled to revenue and net operating income for the recurring income segment and is calculated as follows:

	For the three months ended September 30,		For the nine months ended September 30,	
	2023	2022	2023	2022
Revenue	\$ 43,842	\$ 34,401	\$ 155,361	\$ 125,280
Less: asset management revenue	15,895	10,090	47,324	36,172
Less: Dream Impact Trust & Consolidation and fair value adjustments	5,183	4,007	14,158	9,410
Portfolio of stabilized properties revenue	\$ 22,764	\$ 20,304	\$ 93,879	\$ 79,698
Net operating income	\$ 13,033	\$ 9,899	\$ 59,174	\$ 49,231
Less: asset management net operating income	6,787	3,977	20,793	15,727
Less: Dream Impact Trust & Consolidation and fair value adjustments	1,600	956	4,092	1,144
Portfolio of stabilized properties net operating income	\$ 4,646	\$ 4,966	\$ 34,289	\$ 32,360

Forward-Looking Information

This press release may contain forward-looking information within the meaning of applicable securities legislation, including, but not limited to, statements regarding our objectives and strategies to achieve those objectives; our beliefs, plans, estimates, projections and intentions, and similar statements concerning anticipated future events, future growth, expected net proceeds from sales or transactions, results of operations, performance, business prospects and opportunities, acquisitions or divestitures, tenant base, future maintenance and development plans and costs, capital investments, financing, the availability of financing sources, income taxes, vacancy and leasing assumptions, litigation and the real estate industry in general; our ability and plans to increase our portfolio's growth and value of our recurring income segment; our expectations to commence occupancy of our property in Zibi and Saskatoon before the end of the year; our plans to expand our investment and recreational properties through our development pipeline; our expectations to add over 2,300 units to our portfolio over the next three years; the expectation that our business will grow and become more profitable as a result of our concentration on our asset management, Western Canada and income property divisions; our intention to invest and grow our platform and recurring income; the addition of 1,245 units to our portfolio in the remainder of the year which we expect will increase our revenue and net operating income; our development plans and proposals for current and future projects, including number of units, affordable units, institutional and community space, green space, construction materials, square footage, and residential, retail and commercial GLA to our recurring income portfolio in connection with Canary Landing, Zibi, LeBreton Flats, Western Canada, Alpine Park and Aalto Suites II, and projected sizes, density, GLA, timelines, units at completion and uses; our expectation that we will add 3,244 apartment units comprising 2.7 million square feet of residential GFA to our recurring income portfolio over the next four years; expected occupancy timelines, including expectations regarding the commencement of residential occupancy at Brightwater II and the commencement of occupancies at Common at Zibi; expected demand in respect of Aalto Suites II; the commitments for a certain number of lots and acres in Saskatchewan and Alberta; Dream's and the Dream group platform's development pipeline; the expectation that recurring income generation will increase as urban development properties are completed and held for the long term; and our overall financial performance, profitability and liquidity for future periods and years. Forward-looking information is based on a number of assumptions and is subject to a number of risks and uncertainties, many of which are beyond Dream's control, which could cause actual results to differ materially from those that are disclosed in or implied by such forward-looking information. These assumptions include, but are not limited to: the nature of development lands held and the development potential of such lands, interest rates and inflation remaining in line with management expectations, our ability to bring new developments to market, anticipated positive general economic and business conditions, including low unemployment and interest rates, positive net migration, oil and gas commodity prices, our business strategy, including geographic focus, anticipated sales volumes, performance of our underlying business segments and conditions in the Western Canada land and housing markets. Risks and uncertainties include, but are not limited to, general and local economic and business conditions, the impact of the COVID-19 pandemic on the Company and uncertainties surrounding the COVID-19 pandemic, including government measures to contain the COVID-19 pandemic employment levels, risks associated with unexpected or ongoing geopolitical events, including disputes between nations, terrorism or other acts of violence, international sanctions and the disruption of movement of goods and services across jurisdictions, inflation or stagflation, regulatory risks, mortgage and interest rates and regulations, risks related to a potential economic slowdown in certain of the jurisdictions in which we operate and the effect inflation and any such economic slowdown may have on market conditions and lease rates, environmental risks, consumer confidence, seasonality, adverse weather conditions, reliance on key clients and personnel and competition. All forward-looking information in this press release speaks as of November 14, 2023. Dream does not undertake to update any such forward-looking information whether as a result of new information, future events or otherwise, except as required by law. Additional information about these assumptions and risks and uncertainties is disclosed in filings with securities regulators filed on SEDAR+ (www.sedarplus.ca).

Endnotes:

- ⁽¹⁾ Dream standalone FFO per share, Dream consolidated FFO per share, Adjusted Dream standalone FFO and Adjusted Dream consolidated FFO are non-GAAP ratios. Dream Impact Trust, consolidation and fair value adjustments, adjusted earnings before income taxes, Dream standalone FFO, Dream consolidated FFO, Adjusted Dream standalone FFO, Adjusted Dream consolidated FFO, and net operating income are non-GAAP financial measures. The most directly comparable financial measures to Dream Impact Trust and consolidation and fair value adjustments, Dream standalone FFO and Dream consolidated FFO is net income. The most directly comparable financial measures to net operating income and adjusted earnings before income taxes are net margin and earnings (loss) before income taxes, respectively. Assets under management, fee earning assets under management, net margin (%), and available liquidity are supplementary financial measures. Refer to the "Non-GAAP Measures and Other Disclosures" section of
- ⁽²⁾ Shareholders' equity per share represents shareholders' equity divided by total number of shares outstanding at period end.